

Virginia Manufactured Housing Board Meeting
Thursday, December 13, 2018

Virginia Housing Center
4224 Cox Road
Glen Allen, VA 23060

Members Present

Mr. Walter S. Cleaton, Chair
Mr. David C. Bridges, Vice Chair
Mr. David C. Bridges
Mr. Keith W. Hicks
Mr. Sean Hicks
Mr. James W. Roncaglione
Mr. James Trepinski

Staff Present

Ms. Cindy Davis
Ms. Jennifer Tolley
Ms. Eric Leatherby
Mr. Terry Steen
Mr. Justin Bell, OAG

The meeting of the Virginia Manufactured Housing Board (Board) was called to order by Chairman Mr. Walter Cleaton at approximately 10:05 a.m. All members were present with the exception of Ms. Shawna Cheney and Ms. Cindy Ferreira Tomlin.

Approval of the Minutes - A motion was made to approve the minutes from the October 1, 2018 Board meeting by Mr. Roncaglione and seconded by Mr. Keith Hicks. The motion passed unanimously.

Board Action on Final Regulations – A motion was made by Mr. Bridges and seconded by Mr. Sean Hicks to adopt the revisions, made by the Board, to the Manufactured Housing Licensing and Transaction Recovery Fund Regulations. The motion passed unanimously

Public Comments -There were no Public Comments.

New Business –The Board heard the consumer complaint case of James Parker Newman vs C & K Homes, Inc. Mr. Cleaton, who is familiar with the parties involved in this complaint, recused himself from the discussion. Staff member Eric Leatherby gave a summary of the case, based on information submitted with the complaint and on information gathered during an Informal Fact Finding Conference, conducted on November 23, 2018 with the representative of the complainant, Mr. James Parker Newman.

The complainant signed a purchase agreement with C & K Homes, Inc. of Lacrosse, VA on 10/31/2017 to purchase a new manufactured home. The purchase agreement specified that C & K Homes was responsible for paying the sales tax and DMV fees of \$1,024.27. Mr. Newman alleged that C & K Homes never paid the tax and fees, and that C & K Homes did not provide Mr. Newman with a title for the home. Mr. Newman's representative stated that he tried

unsuccessfully to contact C & K Homes on numerous occasions to obtain the title. He stated that it appeared that C & K Homes appeared to have gone out of business. Mr. Newman provided receipts from the Department of Motor Vehicles showing that he had paid the tax and fees for his home on August 22, 2018, in order to obtain a title. A motion was made by Mr. Keith Hicks and seconded by Mr. Roncaglione to pay Mr. Newman \$1,029.27 using monies from the Transaction Recovery Fund if C & K Homes, Inc. did not reimburse Mr. Newman the monies within thirty (30) days of the issuance of the Final Order from the Board. The motion passed unanimously.

Staff made a recommendation to the Board that C & K Homes, Inc. was in violation of Section 13 VAC 6-20-170- (A) (10) of the Virginia Manufactured Housing Licensing and Transaction Recovery Fund Regulations (Regulations) and that a fine of \$2,000.00 be imposed. A motion was made by Mr. Sean Hicks and seconded by Mr. Keith Hicks that C & K Homes, Inc. should also be cited for violating Section 13 VAC 6-20-170 (A) (7) of the Regulations. The motion passed unanimously.

A motion was made by Mr. Roncaglione and seconded by Mr. Keith Hicks that C & K Homes, Inc. should not be permitted to obtain a new license, until they pay the Transaction Recovery Fund for any financial penalties assessed by the Board, related to the consumer complaint. The motion was passed unanimously.

A motion was made by Mr. Sean Hicks and seconded by Mr. Trepinski that C & K Homes, Inc. and Mr. Mr. Dennis Kidd, the owner of C & K Homes each be found in violation of 13 VAC 6-20-170 (A) (7) and (10) of the Virginia Manufactured housing Licensing and Transaction Recovery Fund Regulations and that a fine of \$2,000.00 be imposed for each offence, for a total of \$8,000.00. The motion was passed unanimously.

Committee Reports – There were no committee reports.

Report of the Secretary/Associate Director/Deputy Director Reports – The Board was directed to Tab #5 of the Board package which showed a cash balance sheet of the Manufactured Housing Transaction Recovery Fund as of November 28, 2018.

The Deputy Director of the Division of Building and Fire Regulation, Cindy Davis, announced that the State Building Code Office would begin, in the Spring of 2019, to publish a NOIRA to the Regulations to address the Transaction Recovery Fund, for issues such as how to protect the Fund from regulants who have violated the Regulations which result in Fund having to pay out monies and also the possibility of requiring bonds for regulants. Mr. Sean Hicks suggested that this subject should be put on the agenda for the next Board meeting for a more in depth discussion. He suggested that other entities with expertise in this matter be invited to the meeting for their input.

Old Business – None.

Future Meeting Date and Location: The proposed location, date and time of the next meeting of the Manufactured Housing Board will be as follows:

Location:

Virginia Housing Center
4224 Cox Road
Glen Allen, VA 23060

Date and Time:

Thursday, April 18, 2019
10:00

A motion was made for the Board to adjourn by Mr. David Bridges and seconded by Mr. Keith Hicks and passed unanimously.

The Board adjourned at approximately 11:45 a.m.